

**Office of the Illinois State Treasurer  
Alexi Giannoulis**

**Request for Proposals**

**Financial Services/Bank Administrator-Finally Home**

**August 11, 2008**

**I. Introduction**

The Illinois State Treasurer's Office ("Treasurer") is issuing this Request for Proposals ("RFP") for financial services in connection with the Finally Home Program ("Program"), a home lending initiative. The Program authorizes the Illinois State Treasurer to provide a loan guarantee for Illinois citizens seeking one of the following: (i) a loan for a home in Illinois; (ii) a loan for the purpose of refinancing an existing home loan; or (iii) a loan to cover mortgage arrearages. More information regarding the Program is available at the Treasurer's website: <http://www.treasurer.il.gov/programs/finally-home/finally-home.aspx>

Pursuant to Section 7 of the Deposit of State Moneys Act, 15 ILCS 520/7, the Treasurer has established the Home Loan Loss Reserve Fund ("Fund"), which is currently funded at nearly \$6 million. The Treasurer is expecting to increase the size of the Fund, commensurate with Program participation. The Fund is in place to allow the Treasurer to guarantee up to 10% of the loan for a home located in Illinois primarily to aid families that would not otherwise be able to obtain or refinance a conventional home loan in the absence of the guarantee. The guarantees last for the first five years of the loan. No more than 5% of the Fund (which includes accumulated interest) may be pledged to guarantee home loans that are, or would be, outstanding from any one financial institution at any point in time, although a financial institution participating in the Program may ask the Treasurer to increase that limit. Limit increases will be approved solely at the discretion of the Treasurer. Section 7 of the Deposit of State Moneys Act is attached as Appendix A to this RFP. (An amendment to this legislation is currently pending that would have the effect of expanding this Program. As of this date, the legislative amendment awaits the signature of the Governor.)

The Treasurer previously administered a version of the Program under the name "Our Own Home." The Treasurer would like to expand the reach of the Program to help Illinois homeowners prevent foreclosure and to respond to current changing economic conditions and the mortgage crisis. The Treasurer is looking for a Bank Administrator that is responsive, responsible, and willing to work with the Treasurer in expanding the reach of the Program.

## **II. RFP Objective**

The Treasurer's objective in issuing this RFP is to solicit information and proposals from financial institutions seeking to provide financial services as the Bank Administrator under the Program.

## **III. Services**

The financial institution selected to serve as the Bank Administrator will be expected to retain the Fund on deposit and to manage it on an ongoing basis; to continue monitoring loans made under the Treasurer's current home lending initiative; and to develop and administer the Finally Home program, as set forth below.

### **A. Administrator of Program**

The Bank Administrator will be the Treasurer's administrator for Finally Home, the Treasurer's new home lending initiative, and will take over the responsibilities of the administrator of the previous home lending initiative, the Our Own Home program (OOH). The Bank Administrator will also assist with the expansion of the Finally Home Program. The responsibilities of the Bank Administrator will include, but are not limited to, the following:

1. Assist the Treasurer in verifying lender eligibility to become a participating financial institution (by, for example, verifying that the potential participating financial institution is regulated and authorized to do business in the State of Illinois by their respective regulatory authority, and is in good standing with that regulatory authority), and provide monthly reports indicating such activity;
2. Assist the Treasurer in developing new guidelines for mortgage products that respond to the changing nature of the mortgage markets;
3. Assist the Treasurer in handling inquiries about eligibility of consumers for the Finally Home Program;
4. Review all Program Applications as submitted to the Treasurer to ensure that no guarantee exceeds 10% of the home loan;
5. Review all Program Applications as submitted to the Treasurer to ensure that each new loan complies with the Program Guidelines and the Deposit of State Moneys Act (15 ILCS 520) and does not violate applicable state and federal predatory lending laws and regulations;
6. Maintain records for both the Finally Home and OOH Programs, including records of all existing loans, new loans and records of rejected Program Applications;
7. Track the guarantees made under the Program and ensure that no more than 5% of the Fund is pledged to secure home loans that are, or would be, outstanding from any one participating financial institution at any point in time,

and notify the participating lending institution and the Treasurer when a lending institution is approaching lending limits;

8. Notify the Treasurer in a timely manner of the following:
  - a. a lender's intention, as expressed to the Bank Administrator, to initiate foreclosure proceedings on loans in the OOH or Finally Home Program; and
  - b. loans that are removed from either the OOH or Finally Home Program;
9. Prepare monthly status reports indicating transactions related to loans under either the OOH or Finally Home Program for the Treasurer.
10. Monitor activity on the approximately 380 existing OOH home loans and, if necessary, assist in transitioning the administration of those loans from the previous bank administrator.
11. Be willing to communicate with participating financial institutions on a regular basis, and to enter into agreements with those institutions regarding, for example, the confidentiality of information obtained during the administration of the Program, the collection of information required per the Program, the determination and confirmation of a "realized loss" under the Program, and the payment of the 10% guarantee upon the finding of a "realized loss."

#### **B. Maintain Deposit**

The Bank Administrator will have the Fund on deposit and will manage the Fund on an ongoing basis. The Fund shall be comprised of interest income from the deposit of state moneys and will contain money sufficient to cover the Treasurer's 10% loan guarantee for the loans made under both Our Own Home and the Finally Home Program. At present, the Fund contains nearly \$6 million. The Treasurer expects to increase the monetary deposit in the Fund commensurate with the size of the Program.

The Bank Administrator shall make regular communications to the Treasurer regarding issues related to the overall management of the Fund, and will notify the Treasurer on an ongoing basis of the amount of outstanding guarantees secured by the Fund. The Bank Administrator will be required to review claims of losses by lenders and shall make payments upon receipt of approval by the Treasurer. The Treasurer shall make all final management decisions with regard to the Program and the Fund.

#### **IV. Schedule**

**August 20, 2008      All Questions Pertaining to the RFP due by 4:00 p.m.**

**August 22, 2008      All Answers to Questions Posted to the Treasurer's Website by 4:00 p.m.**

**September 10, 2008   Responses to the RFP Due by 10:00 a.m.**

## **V. Project Term**

The Treasurer plans to contract with the financial institution selected as the Bank Administrator for a period of two **(2)** years.

Upon expiration of this term, the Treasurer, in his sole discretion, may elect to extend the relationship for a period of time and on terms agreed upon by the parties that are consistent with the Treasurer's Procurement Regulations.

## **VI. Mandatory Proposal Requirements**

Responses must be submitted in a sealed envelope or package bearing the title, "State Treasurer's Request for Financial Services/Bank Administrator." The package must include five (5) copies of the response. Each response must contain the following:

- A. A cover letter with the following information:
  - 1. The name, address, e-mail address (if available) and telephone number of the person or persons available for contact concerning your response and who is (are) authorized to make representations on behalf of you or your organization.
  - 2. A statement indicating that, with the submission of your response, you understand that you are making an offer to the Illinois State Treasurer that is binding for 120 days.
- B. Description of your depository institution, including size, longevity, relevant experience, past performance of similar work and client base and any affiliations with the secondary market and mortgage insurance companies; statement as to whether you intend to participate in this program as a lender, and, if so, a description of your plan to avoid conflicts of interest from the dual role; and description of the personnel who will be assigned to the program, including qualifications and relevant experience and training.
- C. Documentation of financial responsibility, financial stability and sufficient financial resources to provide the scope of services to the State, including the most recent audited financial statement.
- D. Description of experience in account administration and record keeping, including the number of years that you have provided these services, the number of accounts for which you are responsible, the frequency and volume of individual transactions that you process on a daily and weekly basis, and the approximate dollar value of these accounts.

- E. Description of how account data and statements will be maintained to ensure that the Fund's activities are accurately recorded, and a description of how claims of losses will be processed.
- F. Statement of ability and willingness to work with Treasurer to develop new mortgage products in response to changing mortgage markets.
- G. Description of proposed investment management services, including the proposed rate of interest to be earned on the Fund.
- H. Description of amount of compensation for services. ***Pricing must be submitted in a separate sealed envelope and included with your response.*** Compensation for trustee and investment management is currently provided to the Bank Administrator utilizing a combination of a base account fee and basis points linked to the size of the Fund. Compensation for record keeping is currently provided to the Bank Administrator utilizing a combination of base account fee and set fees for loan transactions. Respondents are encouraged to utilize the same or similar format in their proposals. Responses to this RFP are expected to provide a breakdown of the proposed compensation for each of the services identified, including detail on interest rate on Fund deposit and any associated proposed fees; and the proposed price to process individual loan applications (per item document pricing).
- I. Disclosure of any litigation or disciplinary action taken against the firm or its present or former employees regarding investment advice or activity.
- J. The name, address, and telephone number of three references for which proposer currently provides, or has in the past provided, similar services.
- K. A complete description of your proposed services and an acknowledgement that you agree to the contractual provisions stated in Section X.
- L. A fully executed Financial Interest and Potential Conflicts of Interest Disclosure Form A.\*
- M. A fully executed Contract and Procurement Related Information Form B.\*
- N. A fully executed Disclosure Form C **must be sent separately** to Inspector General David Wells, 300 W. Jefferson Street, Springfield, IL 62702. Failure to comply with this provision may result in a proposal being deemed non-responsive.\*
- O. A fully executed State Certification Form.\*

**\* These forms are included after the Appendix to this RFP.**

## **VIII. Evaluation Criteria**

The Evaluation Committee will review responses based on, but not limited to, the following criteria:

- Ability to provide the required services as determined by general and specific experience in providing these services, a record of past performance of similar work and the qualifications and training of proposed personnel assigned to the Program;
- Quality of proposed account administration services;
- Quality of proposed investment management services;
- Statement of willingness to be responsive to changing mortgage markets, including willingness to work with potential secondary markets (*e.g.*, Fannie Mae or Freddie Mac) to help expand the scope of the Program;
- Financial stability;
- Pricing; and
- References.

## **IX. RFP Policies and Procedures**

### **A. Agency Project Contact**

Mr. Ed Buckles  
Chief Procurement Officer  
Illinois State Treasurer's Office  
300 West Jefferson Street  
Springfield, IL 62702  
Phone: 217-782-6540  
Fax: 217-524-3822  
Email: ebuckles@treasurer.state.il.us

### **B. Required Response Date and Time**

All responses must be received by mail or messenger no later than 10:00 am on September 10, 2008.

Responses should be mailed to:

The Honorable Alexi Giannoulis

Treasurer of the State of Illinois  
Attn: Mr. Ed Buckles  
300 West Jefferson Street  
Springfield, IL 62702

**C. Questions about this RFP**

You must submit any questions regarding this RFP by **4:00 p.m. August 20, 2008**. You are encouraged to prepare these questions in writing and send them by mail, facsimile or e-mail to the Chief Procurement Officer, Mr. Ed Buckles, at the address or number provided in Section A, above.

**D. Internet/E-mail Communications**

The Treasurer may also communicate with proposers via e-mail. Each proposer should provide an e-mail address with its proposal for ease of communication throughout this RFP process.

**E. Verbal Communications**

Any verbal communication from the Treasurer's employees or its contractors concerning this RFP is not binding on the State, and shall in no way alter a specification, term, or condition of this RFP.

**F. Amendments**

If it is necessary to amend this RFP, the Treasurer will mail, e-mail, or fax formal written amendments to all prospective proposers who are known to have received a copy of this RFP. Should amendments be issued, the Treasurer will post any amendment to the website at [www.treasurer.il.gov](http://www.treasurer.il.gov).

**G. Proposers' Costs**

The cost of developing a proposal is each proposer's responsibility and may not be charged to the State.

**H. Withdrawal/Modification**

A proposer may, by a letter to the Contact Person, withdraw or modify a submitted proposal prior to the Proposal Submission Date.

**I. Proposal is an Offer**

A proposal submitted in response to this RFP is a binding offer valid from the proposal opening date until 120 days thereafter.

## **J. Proposals Are State Property**

On the proposal submission date, all proposals and related material submitted in response to this RFP become the property of the State of Illinois.

## **K. Chief Procurement Officer May Cancel RFP**

If the Chief Procurement Officer determines it is in the State's best interest, he reserves the right to do any of the following:

- cancel this RFP;
- modify this RFP as needed; or
- reject any or all proposals received in response to this RFP.

## **L. Evaluation of Proposals**

To evaluate all proposals, the Treasurer will organize an Evaluation Committee. After opening the proposals, the Committee will check each proposal in detail to determine its compliance with RFP requirements. Specifically, the Committee will check proposals for compliance with the mandatory requirements of this RFP and for the presence of the experience, function, and pricing components submitted in response to the requirements of this RFP. Non-responsive proposals, defined as proposals not meeting this initial compliance test, will not be evaluated and will be eliminated from consideration.

The Evaluation Committee will then evaluate the proposers' qualifications, technical proposals and price components in accordance with the criteria described above.

## **X. Contractual Requirements**

### **A. Contractual Responsibility**

Proposer will be contractually responsible for all services provided. You must expressly agree to each of the Contractual Requirements herein. Proposer shall at all times provide services in a commercially reasonable manner.

### **B. Illinois Law**

Any agreement made in connection with this Request for Proposals is governed in all respects by the laws of the State of Illinois.



### C. Records Retention

The selected Proposer shall maintain, for a minimum of three years after the termination of this Agreement, adequate books, records, and supporting documents to verify the amounts, recipients, and uses of all disbursements of funds passing in connection with this Agreement; this Agreement and all books, records, and supporting documents related to this Agreement shall be available for review and audit by the Illinois Auditor General and the Treasurer. The selected Proposer must agree to cooperate fully with any audit conducted by the Auditor General or the Treasurer and to provide full access to all relevant materials. Failure to maintain the books, records and supporting documents required by this section shall establish a presumption in favor of the State for the recovery of any funds paid by the State under this Agreement for which adequate books, records, and supporting documentation are not available to support their purported disbursement.

### D. Confidentiality and Security Requirements

The selected Proposer shall be prohibited from using or disclosing confidential information received while providing custodial services. Confidential information includes all information but the following: (i) information already known or independently developed by the recipient; (ii) information required to be released by law; (iii) information in the public domain through no wrongful act of the recipient; and (iv) information received by the recipient from a third party who was free to disclose it.

### E. Indemnification

The Proposer will be required to indemnify, save, and hold harmless the Treasurer, his officers, agents, and employees against any liability, including costs and expenses, for violation of general, proprietary rights, copyrights or rights of privacy of third parties arising out of the publications, translation, reproduction, delivery, use or disposition of any data furnished in response to this request, or based upon any libelous or any unlawful matter contained therein.

The Proposer shall indemnify and hold the Treasurer harmless from and against any and all losses, including but not limited to losses due to the negligent acts or omissions, or willful acts of the Proposer, its employees, or agents. The Proposer has a duty to select, with due diligence, all other entities which shall be necessary to implement this Agreement. The Proposer shall establish and enforce reasonable procedures to assure the Treasurer of the performance by all other entities of the services necessary to implement this Agreement.

#### F. Subcontractors

The Proposer must state whether the services of a subcontractor will be used. The contract must include the names and addresses of all potential subcontractors and the expected amount of money each will receive under the contract. The Proposer will be required to obtain written approval from the Treasurer prior to adding or changing subcontractors. Subcontractors will be required to complete the attached State Certifications and Disclosures A, B, and C.

#### G. Assignment

Each term and provision of this Agreement is binding and enforceable against and inures to the benefit of any successors of the Treasurer and any successors of the Proposer, but neither this Agreement nor any of the rights, interests, or obligations is assignable without the prior written consent of the other party.

Any attempt by the Proposer to transfer or assign any rights or obligations related to the provision of services under the Agreement, without the prior written consent of the Treasurer, shall render the Agreement voidable by the Treasurer.

The Treasurer may unilaterally bind any successor of the provider to the terms and conditions of any Agreement between the parties.

#### H. Termination for Cause/Reduction of Fee

Any Agreement, or any part of an Agreement, entered into as a result of this Request for Proposals may be terminated by the Chief Procurement Officer with the approval of the Treasurer and subject to the determination of the General Counsel under any of the following circumstances:

1. The Proposer fails to furnish a satisfactory performance within the time specified.
2. The Proposer fails to perform any of the provisions of this contract, or so fails to make progress as to endanger performance of this contract in accordance with its terms.
3. Any services provided under the contract are rejected and are not promptly corrected by the Proposer; or repeatedly rejected even though the Proposer offers to correct services promptly.
4. There is sufficient evidence to show that fraud, collusion, conspiracy, or other unlawful means were used to obtain the contract.

5. The Proposer is guilty of misrepresentation in connection with another contract for services to the State and cannot reasonably be depended upon to fulfill its obligations under any of its contracts with the State.
6. The Proposer is adjudged bankrupt or enters into a general assignment for the benefit of its creditors or receivership due to insolvency.
7. The Proposer disregards laws and ordinances, rules, or instructions of a contracting officer or acts in violation of any provision of the contract, or the contract conflicts with any statutory or constitutional provision of the State of Illinois or of the United States.
8. Any other breach of contract or other unlawful act by the Proposer occurs.

Prior to terminating the contract for cause, the Treasurer shall issue a written warning that outlines the remedial action necessary to bring the Proposer into conformance with the Agreement. If such remedial action is not completed to the satisfaction of the Treasurer within five business days, a second written warning may be issued. If satisfactory action is not taken by the Proposer within five business days of the date of the second written warning, the Treasurer may cancel the Agreement and may recover any and all damages involved with the transition to a new vendor including incidental and consequential damages. The Treasurer's failure to issue a warning or cancel this Agreement does not waive any of the Treasurer's rights to issue subsequent warnings.

In addition, the Treasurer reserves the right to reduce the fee paid to the Proposer as compensation for services under the Agreement during any period Proposer fails to perform with reasonable care any of its obligations under the Agreement.

#### I. Services

The Proposer shall not modify any service or the manner of providing such service requirement under this Agreement without the prior written authorization of the Treasurer. Modification means any change to an existing service or the addition of a new service.

#### J. Site Visits

Subsequent to the initial ranking of proposals, the Evaluation Committee may invite the most qualified proposers to demonstrate their technical infrastructure and introduce their proposed implementation team in a presentation to the Evaluation Committee at a “live” public sector client site agreed to by the Evaluation Committee.

## APPENDIX A

### DEPOSIT OF STATE MONEYS ACT, 520 ILCS 520/7

§ 7. (a) Proposals made may either be approved or rejected by the State Treasurer. A bank or savings and loan association whose proposal is approved shall be eligible to become a State depository for the class or classes of funds covered by its proposal. A bank or savings and loan association whose proposal is rejected shall not be so eligible. The State Treasurer shall seek to have at all times a total of not less than 20 banks or savings and loan associations which are approved as State depositories for time deposits.

(b) The State Treasurer may, in his discretion, accept a proposal from an eligible institution which provides for a reduced rate of interest provided that such institution documents the use of deposited funds for community development projects.

(b-5) The State Treasurer may, in his or her discretion, accept a proposal from an eligible institution that provides for a reduced rate of interest, provided that such institution agrees to expend an amount of money equal to the amount of the reduction for the preservation of Cahokia Mounds.

(b-10) The State Treasurer may, in his or her discretion, accept a proposal from an eligible institution that provides for a reduced rate of interest, provided that the institution agrees to expend an amount of money equal to the amount of the reduction for senior centers.

(c) The State Treasurer may, in his or her discretion, accept a proposal from an eligible institution that provides for interest earnings on deposits of State moneys to be held by the institution in a separate account that the State Treasurer may use to secure up to 10% of any (i) home loans to Illinois citizens purchasing a home in Illinois in situations where the participating financial institution would not offer the borrower a home loan under the institution's prevailing credit standards without the incentive of a reduced rate of interest on deposits of State moneys, (ii) existing home loans of Illinois citizens who have failed to make payments on a home loan as a result of a financial hardship due to circumstances beyond the control of the borrower where there is a reasonable prospect that the borrower will be able to resume full mortgage payments, and (iii) loans in amounts that do not exceed the amount of arrearage on a mortgage and that are extended to enable a borrower to become current on his or her mortgage obligation.

The following factors shall be considered by the participating financial institution to determine whether the financial hardship is due to circumstances beyond the control of the borrower: (i) loss, reduction, or delay in the receipt of income because of the death or disability of a person who contributed to the household income, (ii) expenses actually incurred related to the uninsured damage or costly repairs to the mortgaged premises affecting its habitability, (iii) expenses related to the death or illness in the borrower's household or of family members living outside the household that reduce the amount of household income, (iv) loss of income or a substantial increase in total housing expenses because of divorce, abandonment, separation from a spouse, or failure to support a spouse or child, (v) unemployment or underemployment, (vi) loss, reduction, or delay in the receipt of federal, State, or other government benefits, and (vii) participation by the homeowner in a recognized labor action such as a strike. In determining whether there is a reasonable prospect that the borrower will be able to resume full mortgage payments, the participating financial institution shall consider factors including, but not necessarily limited to the following: (i) a favorable work and credit history, (ii) the borrower's ability to and history of paying the mortgage when employed, (iii) the lack of an impediment or disability that prevents reemployment, (iv) new education and training opportunities, (v)

non-cash benefits that may reduce household expenses, and (vi) other debts.

For the purposes of this Section, "home loan" means a loan, other than an open-end credit plan or a reverse mortgage transaction, for which (i) the principal amount of the loan does not exceed 50% of the conforming loan size limit for a single-family dwelling as established from time to time by the Federal National Mortgage Association, (ii) the borrower is a natural person, (iii) the debt is incurred by the borrower primarily for personal, family, or household purposes, and (iv) the loan is secured by a mortgage or deed of trust on real estate upon which there is located or there is to be located a structure designed principally for the occupancy of no more than 4 families and that is or will be occupied by the borrower as the borrower's principal dwelling.

(d) If there is an agreement between the State Treasurer and an eligible institution that details the use of deposited funds, the agreement may not require the gift of money, goods, or services to a third party; this provision does not restrict the eligible institution from contracting with third parties in order to carry out the intent of the agreement or restrict the State Treasurer from placing requirements upon third-party contracts entered into by the eligible institution.

## STATE CERTIFICATIONS

\_\_\_\_\_ (“CONTRACTOR”) makes the following certifications:

### **1.0 ANTI-BRIBERY.**

CONTRACTOR certifies that it is not barred from being awarded a contract or subcontract under Section 1400.5010 of the Treasurer’s Procurement Rules (44 Ill. Adm. Code 1400.5010).

### **2.0 BID-RIGGING/BID-ROTATING.**

CONTRACTOR certifies that it has not been barred from contracting with a unit of State or local government as a result of a violation of Section 33E-3 or 33E-4 of the Criminal Code of 1961 (720 ILCS 5/33E-3, 33E-4).

### **3.0 DRUG FREE WORKPLACE.**

This certification is required by Section 3 of the Drug Free Workplace Act (30 ILCS 580/3). The Drug Free Workplace Act, effective January 1, 1992, requires that CONTRACTOR shall not be considered for the purposes of being awarded a contract for the procurement of any services from the State unless CONTRACTOR has certified to the State that CONTRACTOR will provide a drug free workplace. False certification or violation of the certification may result in sanctions including, but not limited to, suspension of contract payments, termination of the contract and debarment of contracting opportunities with the State for at least one (1) year but not more than five (5) years.

CONTRACTOR certifies and agrees that it will provide a drug free workplace by:

- a. Publishing a statement:
  - i. Notifying employees that the unlawful manufacture, distribution, dispensation, possession or use of a controlled substance, including cannabis, is prohibited in the grantee’s or contractor’s workplace.
  - ii. Specifying the actions that will be taken against employees for violation of such prohibition.
  - iii. Notifying the employee that, as a condition of employment on such contract or grant, the employee will:
    - a. abide by the terms of the statement; and
    - b. notify the employer of any criminal drug statute conviction for a violation occurring in the workplace no later than five (5) days after such conviction.
- b. Establishing a drug free awareness program to inform employees about:
  - i. the dangers of drug abuse in the workplace;
  - ii. CONTRACTOR’s policy of maintaining a drug free workplace;
  - iii. any available drug counseling, rehabilitation, and employee assistance programs; and
  - iv. the penalties that may be imposed upon an employee for drug violations.
- c. Providing a copy of the statement required by Section (a) to each employee engaging in the performance of the contract or grant and to post the statement in a prominent place in the workplace.
- d. Notifying the Treasurer’s Office within ten (10) days after receiving notice under part (b) of paragraph (iii) of Section (a) above from an employee or otherwise receiving actual notice of such conviction.
- e. Imposing a sanction on, or requiring the satisfactory participation in drug abuse assistance or rehabilitation program by, an employee who is so convicted, as required by Section 5 of the Drug Free Workplace Act.
- f. Assisting employees in selecting a course of action in the event of drug counseling, treatment, and rehabilitation is required and indicating that a trained referral team is in place.

- g. Making a good faith effort to continue to maintain a drug free workplace through implementation of the Drug Free Workplace Act.

#### **4.0 U.S. EXPORT ACT.**

CONTRACTOR certifies that neither CONTRACTOR nor any substantial-owned affiliated company is participating or shall participate in an international boycott in violation of the provisions of the U.S. Export Administration Act of 1979 (50 U.S.C.A. App. § 2401 et seq.) or the regulations of the U.S. Department of Commerce promulgated under that Act.

#### **5.0 NON-DISCRIMINATION.**

CONTRACTOR certifies that it is in compliance with the State and Federal Constitutions, the U.S. Civil Rights Act, Section 504 of the Federal Rehabilitation Act, and all applicable rules that prohibit unlawful discrimination in performance of this Agreement and all other activities, including employment and other contracts. As a condition of receiving the Agreement, CONTRACTOR represents or certifies that services, programs and activities provided under the Agreement are and will continue to be in compliance with State and Federal Constitutions, the U.S. Civil Rights Act, Section 504 of the Federal Rehabilitation Act, and all applicable laws that prohibit unlawful discrimination.

#### **6.0 AMERICANS WITH DISABILITIES ACT.**

CONTRACTOR certifies that it is in compliance with the Americans with Disabilities Act (“ADA”) (42 U.S.C. 12101 et seq.) and the regulations thereunder (28 CFR 35.130) prohibit discrimination against persons with disabilities by the Treasurer, whether directly or through contractual arrangements, in the provision of any aid, benefit or service. As a condition of receiving the Agreement, CONTRACTOR represents or certifies that services, programs and activities provided under the Agreement are and will continue to be in compliance with the ADA.

#### **7.0 ILLINOIS HUMAN RIGHTS ACT.**

CONTRACTOR certifies that it is presently in compliance with all of the terms, conditions and provisions of Section 5/2-105 of the Illinois Human Rights Act (775 ILCS 5/2-105), together with all rules and regulations promulgated and adopted pursuant thereto.

#### **8.0 FELONY.**

CONTRACTOR certifies that it has not been barred from being awarded a contract under Section 1400.5015 of the Treasurer’s Procurement Rules (44 Ill. Adm. Code 1400.5015).

#### **9.0 FORMER EMPLOYMENT.**

CONTRACTOR has informed the Treasurer’s Office in writing if CONTRACTOR was formerly employed by the Treasurer’s Office and has received an early retirement incentive under Section 14-108.3 or 16-133.3 of the Illinois Pension Code (30 ILCS 105/15a).

#### **10.0 INDUCEMENT.**

CONTRACTOR has not paid any money or valuable thing to induce any person to refrain from bidding on a State contract, nor has CONTRACTOR accepted any money or other valuable thing, or acted upon the promise of same, for not bidding on a State contract (30 ILCS 500/50-25).

**11.0 REVOLVING DOOR PROHIBITION.**

CONTRACTOR certifies neither it or its employees and agents are in violation of the “Revolving Door” section of the Illinois Procurement Code (30 ILCS 500/50-30), which prohibits certain officers and their designees from engaging in procurement activities for a certain time period.

**12.0 REPORTING ANTICOMPETITIVE PRACTICES.**

CONTRACTOR shall report to the Illinois Attorney General and the Chief Procurement Officer any suspected collusion or other anticompetitive practice among any bidders, offerors, contractors, proposers or employees of the State (30 ILCS 500/50-40, /50-45, /50-50).

**13.0 DISCRIMINATORY CLUB.**

CONTRACTOR agrees not to pay any dues or fees on behalf of its employees or agents or subsidize or otherwise reimburse them for payments of any dues or fees to a discriminating club as prohibited by Section 2 of the Discriminatory Club Act (775 ILCS 25/2).

**14.0 TAXPAYER IDENTIFICATION NUMBER AND LEGAL STATUS OF CONTRACTOR.**

CONTRACTOR shall be in compliance with applicable tax requirements and shall be current payment of such taxes. Under penalty of perjury, CONTRACTOR certifies that #\_\_\_\_\_ is its correct Taxpayer Identification Number and that it is doing business as a (please check one):

<input type="checkbox"/> Individual	<input type="checkbox"/> Real Estate Agent
<input type="checkbox"/> Partnership	<input type="checkbox"/> Government Entity
<input type="checkbox"/> Corporation	<input type="checkbox"/> Trust or Estate
<input type="checkbox"/> Sole Proprietorship	<input type="checkbox"/> Tax Exempt Organization (IRS 501
as (a) only)	
<input type="checkbox"/> Not-for-Profit Corporation	<input type="checkbox"/> Medical and Health Care Services Provider Corporation

**15.0 LICENSE.**

CONTRACTOR, directly or through its employees, shall have and maintain any license required by this Agreement.

**16.0 APPROPRIATION.**

This Agreement is subject to termination and cancellation in any year for which the General Assembly fails to make an appropriation to make payments under the terms of the contract.

**17.0 RECORDS RETENTION.**

CONTRACTOR shall maintain, for as a minimum of three (3) years after the termination of this Agreement, adequate books, records, and supporting documents to verify the amounts, recipients, and uses of all disbursements of funds passing in conjunction with this Agreement; this Agreement and all books, records, and supporting documents related to this Agreement shall be available for review and audit by the Auditor General and the Treasurer; CONTRACTOR agrees to cooperate fully with any audit conducted by the Auditor General or the Treasurer and to provide full access to all relevant materials. The three-(3)-year period shall be extended for the duration of any audit in progress during the term. Failure to maintain the books, records and supporting documents required by this Section shall establish a presumption in favor of



the State for the recovery of any funds paid by the State under this Agreement for which adequate books, records, and supporting documentation are not available to support their purported disbursement.

**18.0 CONFLICTS OF INTEREST.**

CONTRACTOR has disclosed, and agrees that it is under a continuing obligation to disclose to the Treasurer financial or other interests (public or private, direct or indirect) that may be a potential conflict of interest that would prohibit CONTRACTOR from having or continuing the Agreement. Conflicts of interest include, but are not limited to, conflicts under Section 1400.5020 of the Treasurer's Procurement Rules (44 Ill. Adm. Code 1400.5020) and Section 50-30 of the Illinois Procurement Code (30 ILCS 500/50).

**19.0 LATE PAYMENTS.**

Late payment charges, if any, shall not exceed the formula established in the Illinois Prompt Payment Act (30 ILCS 540/1) and the Illinois Administrative Code (74 Ill. Adm. Code 900).

**20.0 LIABILITY.**

The State's liability for damages is expressly limited by and subject to the provisions of the Illinois Court of Claims Act (705 ILCS 505/1) and to the availability of suitable appropriations.

**21.0 DEBT DELINQUENCY.**

CONTRACTOR certifies that it is not barred from being awarded a contract under the Illinois Procurement Code (30 ILCS 500). Section 50-11 of the Illinois Procurement Code prohibits a person from entering into a contract with the Treasurer's Office if it knows or should know that it, or any affiliate, is delinquent in the payment of any debt to the State as defined by the Debt Collection Board. Section 50-12 of the Illinois Procurement Code prohibits a person from entering into a contract with a State agency if it, or any affiliate, has failed to collect and remit Illinois Use Tax on all sales of tangible personal property into the State of Illinois in accordance with the provisions of the Illinois Use Tax Act. CONTRACTOR further acknowledges that the Treasurer's Office may declare the Agreement void if this certification is false or if CONTRACTOR or any affiliate is determined to be delinquent in payment of any debt during the term of the Agreement.

**22.0 EDUCATIONAL LOAN DEFAULT.**

CONTRACTOR certifies that it is not barred from being awarded a contract under the Educational Loan Default Act (5 ILCS 385). Section 3 of the Educational Loan Default Act prohibits an individual from entering into a contract with the Treasurer's Office if that individual is in default of an educational loan. CONTRACTOR further acknowledges that the Treasurer's Office may declare the Agreement void if this

certification is false or if CONTRACTOR is determined to be in default of an educational loan during the term of the Agreement.

### **23.0 Force Majeure.**

Failure by either party to perform its duties and obligations shall be excused by unforeseeable circumstances beyond its reasonable control, including acts of nature, acts of the public enemy, riots, labor or material shortages, labor disputes, fire, flood, explosion, legislation, and governmental regulation.

### **24.0 ANTITRUST ASSIGNMENT.**

CONTRACTOR hereby assigns, sells and transfers to the State of Illinois all right, title and interest in and to any claims and causes of action arising under antitrust laws of Illinois or the United States relating to the subject matter of the Agreement.

### **25.0 PROHIBITION OF GOODS FROM FORCED LABOR.**

CONTRACTOR certifies that it is not barred from being awarded a contract under the State Prohibition of Goods from Forced Labor Act (30 ILCS 583). Section 10 of the State Prohibition of Goods from Forced Labor Act prohibits a contractor from entering into a contract with the Treasurer's Office if that contractor knew that the foreign-made equipment, materials, or supplies furnished to the State were produced in whole or part by forced labor, convict labor, or indentured labor under penal sanction.

CONTRACTOR further acknowledges that the Treasurer's Office may declare the Agreement void if this certification is false or if CONTRACTOR is determined to have known that the foreign-made equipment, materials, or supplies furnished to the State during the term of the Agreement were produced in whole or part by forced labor, convict labor, or indentured labor under penal sanction.

### **26.0 PROHIBITION OF GOODS FROM CHILD LABOR.**

CONTRACTOR certifies in accordance with Public Act 94-0264 that no foreign-made equipment, materials, or supplies furnished to the State under the contract have been produced in whole or in part by the labor of any child under the age of 12.

### **27.0 Sarbanes-Oxley Act and Illinois Securities Law.**

CONTRACTOR certifies that it is not barred from being awarded a contract under the Illinois Procurement Code (30 ILCS 500). Section 50-10.5 of the Illinois Procurement Code prohibits a business from bidding or entering into a contract with the Treasurer's Office if the business or any officer, director, partner, or other managerial agent of the business has been convicted of a felony under the Sarbanes-Oxley Act of 2002 or a Class 3 or Class 2 felony under the Illinois Securities Law of 1953 for a period of five (5) years from the date of conviction. CONTRACTOR further acknowledges that the Treasurer's Office may declare the Agreement void if this certification is false or if CONTRACTOR or any officer, director, partner, or other managerial agent of

CONTRACTOR is determined to have been convicted of a felony under the Sarbanes-Oxley Act of 2002 or a Class 3 or Class 2 felony under the Illinois Securities Law of 1953 during the term of the Agreement.

## **28.0 Disputes.**

Any claim against the State arising out of this Agreement must be filed exclusively with the Illinois Court of Claims (705 ILCS 505/1). The State shall not enter into binding arbitration to resolve any Agreement dispute. The State of Illinois does not waive sovereign immunity by entering into this Agreement. Any provision containing a citation to an Illinois statute (cited "ILCS") may not contain the complete statutory language. The official text, which is incorporated by reference, may be found in the appropriate chapter and section of the Illinois Compiled Statutes. An unofficial version may be viewed at [www.legis.state.il.us](http://www.legis.state.il.us).

## **29.0 Third-Party Payments.**

CONTRACTOR certifies that no fee was paid to a third-party in expectation of being awarded a contract by the Treasurer.

## **30.0 Most Favorable Terms.**

If more favorable terms are granted by the CONTRACTOR to any similar governmental agency in any state in a contemporaneous agreement let under the same or similar financial terms and circumstances for comparable supplies or services, the more favorable terms will be applicable under the Agreement between the Treasurer's Office and the CONTRACTOR.

CONTRACTOR: \_\_\_\_\_  
SIGNATURE: \_\_\_\_\_  
PRINTED NAME: \_\_\_\_\_  
TITLE: \_\_\_\_\_  
DATE: \_\_\_\_\_  
PHONE NUMBER: \_\_\_\_\_

## DISCLOSURES

### FINANCIAL INTEREST AND POTENTIAL CONFLICTS OF INTEREST (Disclosure Form A)

The Treasurer's Procurement Regulations (44 Ill. Adm. Code 1400.5035) require that contractors/offers desiring to enter into certain contracts with the State of Illinois must disclose the financial and potential conflicts of interest information as specified below.

Contractor/offers shall disclose the financial interest and potential conflicts of interest information identified in Sections 1 and 2 below as a condition of receiving an award or contract. Submit this information along with your bid, proposal or offer.

This requirement applies to contracts with an annual value exceeding \$10,000.

A publicly traded entity may submit its 10K disclosure in satisfaction of the disclosure requirements set forth in both Sections 1 and 2 below.

#### Sec. 1. Disclosure of Financial Interest in the Contractor/Offers

- a. If any individuals have one of the following financial interests in the contractor/offers (or its parent), please check all that apply and show their name and address:

Ownership exceeding 5%	( )
Ownership value exceeding \$90,414.60	( )
Distributive Income Share exceeding 5%	( )
Distributive Income Share exceeding \$90,414.60	( )

Name: \_\_\_\_\_

Address: \_\_\_\_\_

- b. For each individual named above, show the type of ownership/distributable income share: sole proprietorship \_\_\_\_\_ stock \_\_\_\_\_ partnership \_\_\_\_\_ other (explain) \_\_\_\_\_.

- c. For each individual named above, show the dollar value or proportionate share of the ownership interest in the contractor/offers (or its parent) as follows:

If the proportionate share of the named individual(s) in the ownership of the contractor/offers (or its parent) is 5% or less, and if the value of the ownership interest of the named individual(s) is \$90,414.60 or less, check here ( )

If the proportionate share of ownership exceeds 5% or the value of the ownership interest exceeds \$90,414.60, show either.

The percent of ownership \_\_\_\_\_ %  
or  
The value of the ownership interest \$ \_\_\_\_\_

Sec. 2. Disclosure of Potential Conflicts of Interest. For each of the individuals having the level of financial interest identified in Section 1 above, check “Yes” or “No” to indicate which, if any, of the following potential conflicts of interest relationships apply. If “Yes,” please describe (use space under applicable section to explain your answers – attach additional pages as necessary).

- |    |  |              |             |
|----|--|--------------|-------------|
| a. | State employment, currently or in the previous 3 years, including contractual employment of services   | Yes<br>_____ | No<br>_____ |
| b. | State employment for spouse, father, mother, son, or daughter, including contractual employment for services in the previous 2 years.  | Yes<br>_____ | No<br>_____ |
| c. | Elective status; the holding of elective office of the State of Illinois, the government of the United States, any unit of local government authorized by the Constitution of the State of Illinois, or the statutes of the State of Illinois currently or in the previous 3 years.  | Yes<br>_____ | No<br>_____ |
| d. | Relationship to anyone holding elective office currently or in the previous 2 years; spouse, father, mother, son, or daughter.   | Yes<br>_____ | No<br>_____ |
| e. | Appointive office; the holding of any appointive government office of the State of Illinois, the United States of America, or any unit of local government authorized by the Constitution of the State of Illinois or the statutes of the State of Illinois, which office entitles the holder to compensation in excess of expenses incurred in the discharge of that office currently or in the previous 3 years. | Yes<br>_____ | No<br>_____ |
| f. | Relationship to anyone holding appointive office currently or in the previous 2 years; spouse, father, mother, son, or daughter.   | Yes<br>_____ | No<br>_____ |
| g. | Employment, currently or in the previous 3 years, as or by any registered lobbyist of the State government.  | Yes<br>_____ | No<br>_____ |
| h. | Relationship to anyone who is or was a registered lobbyist in the previous 2 years; spouse, father, mother, son, or daughter.  | Yes<br>_____ | No<br>_____ |
| i. | Compensated employment, currently or in the previous 3 years, by any registered election or re-election committee registered with the Secretary of   | Yes<br>_____ | No<br>_____ |

State or any county clerk in the State of Illinois, or any political action committee with either the Secretary of State or the Federal Board of Elections.

- |    |  |              |             |
|----|--|--------------|-------------|
| j. | Relationship to anyone; spouse, father, mother, son, or daughter, who is or was a compensated employee in the last 2 years of any registered election or re-election committee registered with the Secretary of State or any county clerk in the State of Illinois, or any political action committee registered with either the Secretary of State or the Federal Board of Elections. | Yes<br>_____ | No<br>_____ |
|----|--|--------------|-------------|

This disclosure is submitted on behalf of

\_\_\_\_\_  
(Name of Contractor/Offeror)

Official authorized to sign on behalf of contractor/offeror:

Name (printed) \_\_\_\_\_ Title \_\_\_\_\_

Signature \_\_\_\_\_ Date \_\_\_\_\_

DISCLOSURES  
OTHER CONTRACT AND PROCUREMENT RELATED INFORMATION  
(Disclosure Form B)

The Treasurer's Procurement Regulations (44 Ill. Adm. Code 1400.5035) require that contractors/offersors desiring to enter into certain contracts with the State of Illinois must disclose the information as specified below.

Contractor/offersor shall disclose the information identified below as a condition of receiving an award or contract.

This requirement is applicable to only those contracts with an annual value exceeding \$10,000.

You must submit this information along with your bid, proposal or offer.

- a. Contractor/offersor shall identify whether it has current contracts (including leases) with other units of State of Illinois government by checking "Yes" \_\_\_\_\_ or "No" \_\_\_\_\_.

If "Yes" is checked, identify each contract by showing agency name and other descriptive information such as purchase order or contract reference number (attach additional pages as necessary).

- b. Contractor/offersor shall identify whether it has pending contracts (including leases), bids, proposals, or other ongoing procurement relationships with other units of State of Illinois government by checking "Yes" \_\_\_\_\_ or "No" \_\_\_\_\_.

If "Yes" is checked, identify each such relationship by showing agency name and other descriptive information such as bid or project number (attach additional pages as necessary).

This disclosure is submitted on behalf of \_\_\_\_\_  
(Name of Contractor/Offeror)

Official authorized to sign on behalf of contractor/offersor:

Name (printed) \_\_\_\_\_ Title \_\_\_\_\_

Signature \_\_\_\_\_ Date \_\_\_\_\_

FINANCIAL INTERESTS AND POTENTIAL CONFLICTS OF INTERESTS  
STATEMENT  
(Disclosure Form C)

Executive Order of the Treasurer 07-01 requires a Vendor desiring to enter into contracts with an aggregate value exceeding \$10,000, to be paid from appropriations or expenditure authority under the sole jurisdiction of the Treasurer, to disclose political contributions made by the Vendor to the Treasurer or to a political committee established to promote the candidacy of the Treasurer.

Vendor shall disclose the information identified below as a condition of receiving an award or contract. **Vendor shall submit a completed disclosure at the time of submittal of the bid, proposal, or offer in a sealed envelope addressed to the attention of David Wells, Executive Inspector General of the Treasurer, 300 West Jefferson, Springfield, Illinois 62702. Questions concerning Disclosure Form C may be directed to Executive Inspector General David Wells at (217)557-1972.**

**Definitions:**

**“Affiliated person”** means any person with an ownership interest or distributive share of the bidding entity in excess of 5%, and executive employees of the bidding entity, and the spouse and minor children of any such persons.

**“Affiliated entity”** means any subsidiary of the bidding entity, any member of the same unitary business group or any political committee for which the bidding entity is the sponsoring entity as defined in the Election Code. (See definition of “sponsoring entity” below.)

**“Member of the same unitary business group”** means the same as that term is defined in the Illinois State Income Tax Code, 35 ILCS 5/1501(a)(2).

**“Sponsoring entity”** means (i) any person, political committee, organization, corporation, or association that contributes at least 33% of the total funding of the political committee or (ii) any person or other entity that is registered or is required to register under the Lobbyist Registration Act and contributes at least 33% of the total funding of the political committee.

**“Vendor”** means the bidder or offerer and any “affiliated person” or “affiliated entity” of the bidder or offerer.

**Disclosure:**

**Vendor shall identify any and all persons with an ownership interest or distributive share of the bidding entity in excess of 5%, and any and all executive employees of the bidding entity, and the spouse and minor children of such persons.**



**Vendor shall identify any and all subsidiaries of the bidding entity, and any and all members of the same unitary business group as well as any political committee for which the bidding entity is the sponsoring entity.**

Vendor shall identify whether within the previous two years it made political contributions required to be reported under Article 9 of the Election Code (10 ILCS 5/9) to the Treasurer or to a political committee established to promote the candidacy of the Treasurer by checking

**YES** ☐ or **NO** ☐.

**If “yes” is checked, identify below each political contribution by listing the recipient of the contribution, the name and address of the contributor, and the dollar amount of the contribution. Attach additional pages as necessary.**

Vendor certifies that the information herein is true and correct. The Undersigned affirms, under penalty of perjury, that he or she is authorized to execute this disclosure on behalf of the Vendor.

Printed Name of Vendor \_\_\_\_\_

\_\_\_\_\_  
Signature of Authorized Representative

\_\_\_\_\_  
Date

\_\_\_\_\_  
Printed Name and Title